

FISCAL NOTE

Bill #: SB0441

Title: Clarify “commercial vehicle” for landscapers

Primary Sponsor: Harrington, D

Status: As Introduced

Sponsor signature	Date	David Ewer, Budget Director	Date
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Fiscal Summary

	<u>FY 2006 Difference</u>	<u>FY 2007 Difference</u>
Expenditures:		
Federal Special Revenue	\$0	Potentially (\$15,000,000)
Revenue:		
Federal Special Revenue	\$0	Potentially (\$15,000,000)
Net Impact on General Fund Balance:	\$0	\$0

- | | |
|---|---|
| <input type="checkbox"/> Significant Local Gov. Impact | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input checked="" type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

Department of Justice

1. If SB 441 becomes law, driver licensing staff would need additional training. The training would be incorporated in the division’s regularly scheduled in-service training sessions.
2. This bill could bring the state out of compliance with federal standards that could cause the following:
 - The state could lose the ability to issue and renew commercial driver licenses to Montana drivers, potentially causing Montana trucking companies and drivers to relocate to other states.
 - The state could lose federal funding (up to \$1.2 million per year) for the state’s motor carrier safety assistance program (MCSAP).

Department of Transportation

3. The state could lose five percent of its federal aid highway funds in the fiscal year following the state’s first year of noncompliance, and ten percent of the funds in each year following the state’s second or subsequent year of noncompliance. Five percent of federal highway funds is \$15 million. Ten percent of federal highway funds is \$30 million.

Fiscal Note Request HB0458, As Introduced

(continued)

FISCAL IMPACT:

	<u>FY 2006 Difference</u>	<u>FY 2007 Difference</u>
<u>Expenditures:</u>		
Federal Special Revenue (03)	\$0	(\$15,000,000)**
<u>Funding of Expenditures:</u>		
Federal Special Revenue (03)	\$0	(\$15,000,000)**
<u>Revenues:</u>		
Federal Special Revenue (03)	\$0	(\$15,000,000)**
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
Federal Special Revenue (03)	\$0	(\$15,000,000)**

LONG-RANGE IMPACTS:

The potential loss of federal funding would be up to \$30 million in FY 2008 and beyond and would equate to eliminating a moderate-sized highway construction project in each of the five districts each year.

TECHNICAL NOTES:

1. If this bill is passed, Montana's commercial driver licensing program will not be in compliance with federal standards.

** If SB 441 is passed and approved, the department would make every effort to maintain the current level of highway funding. However, the possibility is very real that the department would lose five and then ten percent of its current federal allocation.